## ORIGINAL

KIRKLAND & ELLIS LLP 153 East 53rd Street New York, New York 10022-4611 (212) 446-4800 Eric F. Leon (EL-5780)

UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

BILL KOLB JR. SUBARU, INC.,

Plaintiff,

- against -

IDEARC MEDIA CORP.,

Defendant.

Case No.:

NOTICE OF REMOVAL

08 CIV. 4212 JUDGE CONNER

Defendant Idearc Media Corp. ("Idearc") hereby removes the case entitled <u>Bill Kolb Jr. Subaru, Inc. v. Idearc Media Corp.</u>, Index No. 02660/08, now pending in the Supreme Court of the State of New York, County of Rockland. In support of removal, Idearc submits the summons and complaint served on it by the plaintiff in this case and states as follows:

- 1. <u>Jurisdiction</u>: This Court has original jurisdiction over this action pursuant to 28 U.S.C. § 1332(a)(1), and this action is therefore removable under 28 U.S.C. § 1441, in that, as set forth herein, it is a civil action where the amount in controversy exceeds the sum or value of \$75,000, exclusive of interest and costs, and is between citizens of different states.
- 2. <u>Background to this Dispute</u>: Plaintiff alleges that Idearc wrongfully refused to allow plaintiff to place advertisements in the 2008 Verizon Yellow Pages directories after plaintiff failed to pay for its 2007 advertisements. Plaintiff brings claims for breach of contract and tortious interference with prospective contracts.
- 3. <u>Commencement of the Action and Service of Process</u>: Plaintiff filed the instant action on or about March 20, 2008 in Supreme Court of the State of New York for Rockland County. The summons and complaint were served on Idearc's registered agent on April 7, 2008. (A copy of the summons and complaint is attached hereto as Exhibit A.)

- 4. <u>Diversity of Citizenship</u>: Pursuant to Rule 81.1 of the Local Civil Rules for the Southern and Eastern Districts, plaintiff Bill Kolb Jr. Subaru, Inc. is a New York Corporation with its principal place of business in New York (Compl. ¶ 1). Defendant Idearc is a Delaware corporation with its principal place of business in Texas (Compl. ¶ 2). Thus, there is complete diversity of citizenship between plaintiff and Idearc.
- 5. <u>Timely Removal</u>: This Notice of Removal is timely filed as required by 28 U.S.C. § 1446(b). Idearc was served with the summons and complaint on April 7, 2008. In accordance with 28 U.S.C. § 1446(a) and Local Rule 81.1, and as noted above, that complaint is attached hereto as Exhibit A. No other process, pleadings or orders have been served upon Idearc to date in the action being removed.
- 6. Amount in Controversy: Plaintiff's complaint seeks compensatory damages of at least \$750,000.00. Thus, the amount in controversy in this action exceeds the sum or value of \$75,000, exclusive of interest and costs.
- 7. <u>Notice</u>: Written Notice of the filing of this removal petition shall be given to plaintiff and a true copy of this petition will be filed with the clerk of the Supreme Court of the State of New York for Rockland County, as provided by law.

Dated: New York, New York May 2, 2008

Eric F. Leon

(EL-5780)

KIRKLAND & ELLIS LLP

153 East 53rd Street

New York, New York 10022-4611

Telephone: (212) 446-4800 Facsimile: (212) 446-4900

Attorneys for Defendant IDEARC MEDIA CORP.

TO: Kevin T. Mulhern, P.C.
Prel Plaza - Suite 8
60 Dutch Hill Road
Orangeburg, New York 10962
(845) 398-0361
Attorneys for Plaintiff

CLERK Supreme Court of the State of New York County of Rockland SUPREME COURT OF THE STATE OF NEW YORK

COUNTY OF ROCKLAND

BILL KOLB JR. SUBARU, INC.,

Date Del:

**SUMMONS** 

Index No. 2008-02660

- against -

IDEARC MEDIA CORP.

Defendant.

Plaintiff.

MAR 2 0 2008

To the above named Defendant(s):

ROCKLAND COUNTY CLERK'S OFFICE

You are hereby Summoned and required to serve upon Plaintiffs' attorneys an answer to the Complaint in this action within twenty (20) days after service of this Summons, exclusive of the day of service, or within thirty (30) days after service is complete if this Summons is not personally delivered to you within the State of New York. In case of your failure to answer, judgment will be taken against you by default for the relief demanded in the Complaint.

The basis of the venue designated is that the residence and/or principal place of business of Defendants is located within this district.

Dated: March 19, 2008

Defendan's address:

IDEARC MEDIA CORP. 2200 W. Airfield Drive DFW Airport Texas 75261-9810 (Dock A)

KEVIN T. MULHEARN, ESO. Prel Plaza - Suite 8 60 Dutch Hill Road Orangeburg, New York 10962 (845)398-0361 Attorneys for Plaintiff

BILL KOLB JR. SUBARU, IN	X C.,	•
	Plaintiff,	COMPLAINT
		Index No. 2008~02660 FILED MC
- against -		Index No.
IDEARC MEDIA CORP.,		LITED WC
	Defendant.	MAR 2 0 2008
	X	ROCKLAIND COUNTY CLERK'S OFFICE

# PARTIES:

through its attorneys, Kevin T. Mulhearn, P.C., complaining of the Defendant,

hereby alleges that:

- Plaintiff, BILL KOLB JR. SUBARU, INC., is a New York corporation
  which conducts business in New York State, and at all material times has
  maintained its primary place of business at 252 Route 303, Orangeburg,
  New York 10962.
- 2. Defendant, IDEARC MEDIA CORP. ("IDEARC"), is, upon information and belief, a corporation organized under the laws of the State of Texas, and conducts business in the State of New York, and maintains its principal place of business at 2200 W. Airfield Drive, DFW Airport, Texas 75261-9810, (Dock A).

#### FACTS:

- 3. Bill Kolb Jr. Subaru has been engaged in the business of automobile sales and service from in or about November 1998 to present.
- 4. The automobile market is highly competitive, and numerous automobile sellers - including Plaintiff - rely heavily on advertising in order to stay competitive in the market.
- 5. At all material times, Defendant IDEARC has been a publisher of Verizon Yellow pages directory advertising.
- At all material times, Defendant IDEARC has communicated with 6. customers, and prospective customers, with respect to advertising issues. such as ad copy, costs, and ad placement, in connection with its Verizon Yellow Pages directories.
- At all material times, Plaintiff relied on Defendant IDEARC to provide it 7. with essential advertising in the Verizon Yellow Pages directory.
- 8. At all material times, Plaintiff relied on said advertising in order to compete in its automobile sales market, and to remain competitive in the automobile sales industry. In previous years, Bill Kolb Jr. Subaru's ads in the Verizon Yellow Book directories were <u>always</u> – at the request of Plaintiff – directly under the Subaru banner.

 In 2007, Plaintiff ordered a number of Verizon Yellow Pages advertisements from Defendant IDEARC.

Case 7:08-cv-04212-WCC

- 10. In 2007, Plaintiff gave specific instructions to Defendant IDEARC as to the precise necessary location for Verizon Yellow Pages advertisements and gave specific instructions to Defendant IDEARC for Defendant to post said advertisements, in all directory books, directly under the Subaru banner.
- 11. At all material times, Plaintiff relied on Defendant IDEARC to place Plaintiffs ads in the proper location in Defendant IDEARC's Verizon Yellow Pages directories, and to post said advertisements, in all directory books, directly under the Subaru banner.
- At all material times, Defendant IDEARC had actual or constructive knowledge of Plaintiff's aforesaid reliance.
- 13. Nevertheless, in 2007, on multiple occasions, Defendant IDEARC failed or refused to place Plaintiff's ads in the specifically mandated location in Defendant IDEARC's Verizon Yellow Pages directories, and failed and refused to post said advertisements, in all directory books, directly under the Subaru banner.
- 14. Beginning in or about June, 2007, Plaintiff's President, Bill Kolb Jr., communicated with Defendant IDEARC's agents or employees, voiced his

- dissatisfaction with the aforesaid 2007 advertisements, and expressed his refusal to pay for said advertisements.
- Thereafter, Plaintiff has attempted to negotiate with Defendants IDEARC -15. to no avail - to be able to advertise in the 2008 directories, without having to pay for the deficient 2007 ads.
- 16. Defendant, IDEARC, however, has refused to permit Plaintiff to place advertisements in its 2008 directories because of the dispute over the 2007 advertisements and payments thereof.
- 17. Plaintiff has notified Defendant IDEARC that his inability to advertise in the 2008 Verizon Yellow Pages directories will cause it a substantial diminution of business.

### AS AND FOR A FIRST CAUSE OF ACTION BREACH OF CONTRACT

- Plaintiff repeats and reallges paragraphs "1" through "17" herein, as if each 18. has been fully set forth at length.
- 19. In 2007, Plaintiff and Defendant formed a contract with respect to the 2007 Verizon Yellow pages directories advertisements, agreed on all material items (i.e., price), and each party provided consideration to the other for the performance of its contractual obligations.

- By reason of the aforesaid, Defendant IDEARC breached said contract with 20. Plaintiff by, inter alia, providing a deficient product which materially diminished the agreed upon advertisements, and materially diminished the value and worth of said advertisements to Plaintiff.
- As a direct and proximate result of Defendant IDEARC's aforesaid breach 21. of contract, Plaintiff suffered substantial damages, including but not limited to lost business, lost profits, loss of brand value, and loss of business goodwill.
- Plaintiff, therefore, is entitled to receive compensatory damages from 22. Defendant IDEARC in a sum not less than \$250,000.00.

## AS AND FOR A SECOND CAUSE OF ACTION TORTIOUS INTERFERENCE WITH PROSPECTIVE ADVANTAGE

- Plaintiff repeats and realleges paragraphs "1" through "22" herein, as if each 23. has been fully set forth at length.
- At all material times, Plaintiffs had prospective contracts with potential 24. purchasers of automobiles in Rockland County and surrounding areas. particularly with respect to those potential customers generated by advertising.

- 25. At all material times, Defendant knew of, or should have known of, Plaintiff's aforesaid prospective contracts with potential purchasers of automobiles, particularly with respect to those potential customers generated by advertising.
- 26. By reason of the aforesaid, Defendant IDEARC, by the use of "wrongful means," intentionally interfered with respect to Plaintiff's prospective contracts with potential customers generated by advertising.
- 27. Said "wrongful means" include, but are not limited to fraud and misrepresentations in that Defendant IDEARC, at various times in 2007, made false and misleading misrepresentations to Plaintiff with respect to the placement of Plaintiff's ads in its 2007 directories.
- 28. Said "wrongful means" also include, but are not limited to, undue economic pressure, in that Defendant IDEARC's refusal to permit Plaintiff to place 2008 advertisements in its directories, without cause or justification, constituted such undue economic pressure.
- 29. As a direct and proximate result of Defendant's conduct, moreover, Plaintiff has suffered, and will continue to suffer substantial damages, including list contracts, lost business, lost sales, lost profits and a loss of business goodwill.

- 30. Moreover, Defendant's conduct, in aggregate, demonstrates a willful, wanton and reckless disregard of Defendant's civil obligations and Plaintiff's rights, and thus gives rise to punitive damages.
- Plaintiff, therefore, is entitled to compensatory damages in a sum not less 30. than \$500,000.00, and punitive damages in a sum not less than \$500,000,00. WHEREFORE, based on the aforesaid, Plaintiff respectfully requests an Order and Judgment against Defendant IDEARC, as follows:
  - 1. As and for its First Cause of Action (Breach of Contract). compensatory damages in a sum not less than \$250,000.00;
  - 2. As and for its Second Cause of Action (Tortious Interference with Prospective Advantage), compensatory damages in a sum not less than \$500,000.00, and punitive damages in a sum not less than \$500,000.00;
  - 3. All necessary injunctive relief, including, if applicable, a mandamus Order mandating Defendant to provide Plaintiff with continued advertising in its Verizon Yellow Pages directories, at prevailing rates and terms;

- 4. The costs and disbursements of this action as well as reasonable attorney's fees; and
- 5. Any other, different or further relief as to this Court may seem just, proper or necessary.

Dated: March 14, 2008

Orangeburg, New York

Respectfully submitted,

KEVIN T. MULHEARN, P.C.

By: Kevin T. Mulhearn, Esq. 60 Dutch Hill Road, Suite 8 Orangeburg, New York 10962

Phone: (845) 398-0361 Fax: (845) 398-3836

### **VERIFICATION**

STATE OF NEW YORK ) ss: COUNTY OF ROCKLAND

Bill Kolb Jr., being sworn says: I am the Plaintiff in the action herein; I have read the annexed Complaint, know the contents thereof and the same are true to my knowledge, except those matters therein which are stated to be alleged on information and belief, and as to those matters I believe them to be true.

Sworn to before me this

/4//- day of March, 2008

Notary Public

KEVIN T MULHEARN Notary Public, State of New York No. 02MU5047687

Qualified in Rockland County Commission Expires August 7, A

Index No. 2008-02660

SUPREME COURT OF THE STATE OF NEW YORK COUNTY OF ROCKLAND

BILL KOLB JR. SUBARU, INC.,

Plaintiff,

- against -

IDEARC MEDIA CORP.,

Defendant.

#### SUMMONS and COMPLAINT

Kevin T. Mulhearn, P.C. Attorneys for Plaintiff 60 Dutch Hill Rd., Suite 8 Orangeburg, NY 10962 (845)398-0361

Pursuant to 22 NYCRR 130-1.1, the undersigned, an attorney admitted to practice in the courts of New York State, certifies that upon information and belief and reasonable inquiry, the contentions contained in the annexed document are not frivolous.

Dated: March 19, 2008

Signature

Print Signer's Name: KEVIN-T. MULHEARN

CT CORPORATION

A Wolterskhuwer Company

**Service of Process Transmittal** 

04/07/2008

CT Log Number 513285671

TO: Joe Garza, Jr.

Idearc Media Corp.

2200 West Airfield Drive, TX 29, P.O. Box 619810

DFW Airport, TX 75261-4008

RF: **Process Served in Texas** 

Idearc Media Corp (Domestic State: DE) FOR:

ENCLOSED ARE COPIES OF LEGAL PROCESS RECEIVED BY THE STATUTORY AGENT OF THE ABOVE COMPANY AS FOLLOWS:

TITLE OF ACTION: Bill Kolb Jr., Subaru, Inc., Pltf. vs. Idearc Medica Corp., Dft.

Name discrepancy noted.

DOCUMENT(\$) SERVED: Summons, Original Complaint, Verification, Summons Cover

COURT/AGENCY: Supreme Court, County of Rockland, NY

Case # 200802660

NATURE OF ACTION: Breach of contract, providing a deficient product which materially diminished the agreed upon advertisements

ON WHOM PROCESS WAS SERVED: C T Corporation System, Dallas, TX

DATE AND HOUR OF SERVICE: By Process Server on 04/07/2008 at 15:15

APPEARANCE OR ANSWER DUE: 20 days after service of this summons, exclusive of the day of service

ATTORNEY(S) / SENDER(S):

Kevin T. Mulheam Kevin T. Mulheam, P.C. 60 Dutch Hill Road

Suite 8

Orangeburg, NY 10962 845-398-0361

ACTION ITEMS:

SOP Papers with Transmittal, via Fed Ex 2 Day , 798914410674 Image SOP - Page(s): 12 Email Notification, Nancy Sanders nancy.sanders@idearc.com Email Notification, Darlene Stecz-Hunter Phyllis.D.SteczHunter@idearc.com Email Notification, Joe Garza, Jr. joe.garza@idearc.com

SIGNED C T Corporation System PER: Beatrice Casarez

ADORPSS: 350 North St Paul Street

Suite 2900

Dallas, TX 75201 214-932-3601 TELEPHONE:

Page 1 of 1/MS

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